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STATE FUND MONTANA

MONTANA GUARDIAN

"Serving Montana Employers and Employees"

STATE COMPENSATION INSURANCE FUND

AUGUST 1990 Volume 01 Number 02

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SOME LUMP SUM STATUTES FOUND UNCONSTITUTIONAL

The Montana Supreme Court recently decided in ***Ingraham v. Champion International*** the constitutionally of the lump sum statute passed by the Legislature in 1987.

Prior to 1987, claimants could request a lump sum payment of future benefits and, upon concurrence of the insurer, the lump sum request was then referred to the Division of Workers' Compensation for approval. If the insurer did not concur in the lump sum request, the dispute could be resolved by the Workers' Compensation Court. The statute was changed in 1987 to state that a conversion of a lump sum of future benefits could only be made upon agreement between the claimant and the insurer. If the insurer chose not to concur in the lump sum settlement, the party could not take the dispute to mediation and the Workers' Compensation Court for resolution.

However, the Supreme Court has now stated the provisions of the statute stating agreements can only be made between a claimant and an insurer regarding a lump sum and the portion of the statute not giving the court jurisdiction over a dispute are unconstitutional.

The effect of the statute is claimants may now request a lump sum conversion of future benefits in whole or in a disputed liability situation and if concurrence is not given by the insurer, then the dispute may be taken to the Workers' Compensation Court for resolution.

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RELOCATION EFFORTS

by Marvin Kraft

As most of you know, the Department of Labor has left the building. There are a number of moves scheduled over the next month or so. We will attempt to move people with the least amount of disruption to daily work schedules as possible. We will move only one section at a time.

We will pre-wire for telephone, electricity and computers and prepare office areas as supplies and materials allow before any people are moved into an area. Fred Lubke, Maintenance Supervisor, will be handling the construction and wiring of work areas. Your input is necessary to design all spaces to best accommodate your needs. Fred will contact each section prior to the move and allow time to formulate your work areas. If any problems or concerns arise, Fred will assist in reviewing plans and offer suggestions to make the area work for you. Be patient. We will make it work.

Telecommunications Bureau is currently working with CENTEL to allow us to move around with only minor down time on telephones. **ALL** computer changes will be made by our Managment Information's Operations or Fred. ***DO NOT MOVE YOUR OWN COMPUTERS OR TELEPHONES!!!!***

Over the next month or so approximately 60 people will change locations in the building. This means a lot of coordination and effort by all involved. Please be patient and allow Fred and the rest of the staff to make this move with the least amount of confusion and frustration. **Thanks.**

Message from the President . . . .

Patrick J. Sweeney

As all of us are well aware, there have been numerous articles in newspapers and on the news concerning the State Fund. The majority of which have been negative. I would like to take this opportunity to share some information with you which, it is hoped, may lighten our spirits.

A large portion of these news articles are without basis in fact and are simply a means of some individuals taking a shot at us and state government. Let me assure you, these views are not held by either the State Fund management staff or by the Board of Directors.

I, as president and as spokesman for the Board, realize such writings can and do have adverse affects on our beliefs, behaviors and how we perceive our jobs. I urge each of you to separate fact from fiction as it appears in the media and to deal with it from a realistic and positive viewpoint.

Both the Board and I assure you, the State Fund *will* continue to operate and continue to provide our entire range of extremely important functions to the employers and employees of this State. We are not, as has been implied, in jeopardy of being sold nor of becoming unemployed.

The Board and the management staff are well aware of the many and varied contributions of you, our valued employees and every effort will be put forth to over come these erroneous accusations. We urge you to continue to realize the importance of the services State Fund provides and to continue to provide these services in an effective, courteous manner as you have been doing in the past.

FAMILY ON THE MOVE

Carla Smith's son, Eric, started his appointment as an Army cadet at West Point, New York in June. Eric was very active on his high school's swim team. Congratulations Eric and Carla!

If you or your family are doing something exciting or achieved a major accomplishment, let us know. Give your story to Harold Gilbertson by newsletter article deadline.

DATABASE DITTIES

Have you ever had the feeling you've seen a certain class code a lot? Or, it seems like you see a lot of injuries in a class code? Ever wondered about that class code's overall experience? Well if you have, Class Code Inquiry is for you!

To get there, go through Policy Inquiry to Policy Inquiry Menu. Hit tab a few times until the cursor is in the Class Code field. Then key in the four digit class code and press PF 11.

The screen you get is full of fascinating information such as the rates we have charged, the amount of payroll reported, and premium billed. Also included is the compensation and medical experience (claim reserves) and the margin (premium minus losses). My favorite is the EXP RATE. This is the rate we would have needed to charge on this class code to break even. The information available only goes back six years, so get it while it's hot! CLASS CODE INQUIRY - another DATABASE DITTY.

STATE FUND MONTANA

MONTANA GUARDIAN

The State Fund "Montana Guardian" is an official employee newsletter published by the State Compensation Mutual Insurance Fund for the purpose to educate and keep State Fund employees informed on the workers' compensation industry, especially the new State Fund.

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PITCH IN

We have received several written complaints from concerned citizens regarding the trash, especially cigarette butts, around the State Fund building. It was described as "the trashiest building in downtown Helena." This is NOT the image we wish to portray to anyone.

We have ordered urns for the two entrances of the building. They should be arriving within the next several weeks and will be installed as soon as they arrive. Until then any employees taking breaks outside or coming to the building, please refrain from discarding your trash around the building. Take your own ashtray with you on breaks.

PLEASE PITCH IN AND HELP US MAINTAIN THE APPEARANCE OF THE STATE FUND BUILDING.

GOLF TOURNEY UPCOMING

The State Fund will hold its first annual golf tournment on Thursday, August 9, 1990. This event is open to anyone and everyone who can swing a club. Slashing and hacking are permitted. Employees and spouses are welcome. All interested persons contact Rick Bach at 7772. Rick will have a sign up sheet and will collect the necessary funds.

The fee is $12.00 per person with $7.50 going to the golf course and the remainder used to provide refreshments for a gathering and happening at the close of the tourney. The happening location will be announced in the near future.

Entries will be divided into foursomes at the close of the sign up. Sign up and payment of fees will be needed by Friday, August 3, 1990. We urge all interested people to participate and make our first annual golf tournament a great success. Copious amounts of fun will be had by all.

PERSONNEL ACTIONS

FROM JUNE 15, 1990 TO JULY 15, 1990

NEW

Benefits Department

Tom Barthelmeh	File Clerk II
Shirley McAtee	File Clerk II

LEFT

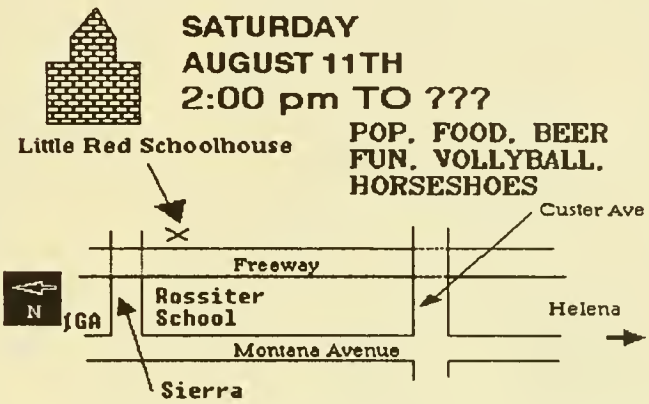
Ken Day

"FUN'S A COMIN"

Plans are being made for our very first annual State Fund picnic. Everyone is urged to attend and bring the family!! This happening will occur at about 2:00 pm on Saturday, August 11, 1990, at the LITTLE RED SCHOOL HOUSE.

Committees to plan, organize and clean up will be needed. Anyone willing to volunteer to make this a real EVENT is urged to contact Crystal Murphy at 6495. There will be fun and games for all. More information will be circulated to everyone as the time draws near.

1ST ANNUAL STATE FUND PICNIC



NEWSLETTER NAME CONTEST

The State Fund employee newsletter has been named the "Montana Guardian" after the firetower immediately to the east of the State Fund building.

Built in the gold rush days to serve as a outlook for fires in the down town area, the firetower was nicknamed the "Guardian of the Gulch." In much the same way the firetower served the Helena down town area, the State Fund serves Montana employers and employees in cases of work related injuries and occupational disease. The motto "Serving Montana Employers and Employees."

The name and motto were submitted by Pietr Zwolle.

NEXT NEWSLETTER DEADLINE

We plan to publish the newsletter every other month with periodic special issues. Our next employee newsletter will be available on October 1st. The deadline for articles is September 14th. Articles are to be given to Harold Gilbertson.

Since there is about a two week lag between the deadline and when it reaches your desk, please take this into consideration when you are writing your articles.

MICROCOMPUTER TRAINING

The following microcomputer training is available through the Information Services Division. Some classes require other areas of software and hardware knowledge prior to taking the class. Preregistration is required. Contact your supervisor.

CLASS

Beginning Microcomputer Skills
Fundamentals of DOS
Intermediate DOS
Introduction to Lotus 2.2
Advanced Lotus 2.2
Spreadsheet Design and Documentation
Introduction to Macros for Lotus
Intermediate Macros for Lotus
Advanced Macros for Lotus

NUMBER OF REPORTED PLAN 3 ACCIDENTS DROPS IN FY 90

Initial reports show the total number of accidents reported to the State Fund dropped in Fiscal Year 1990 (FY90) compared to those reported for Fiscal Year 1989 (FY89). As of June 30, 1990, there were 18,865 accidents reported to the State Fund, which is 1,190 less than the 20,055 accidents reported in the previous year. These counts do not take into account the accident status (i.e., open claim, medical only claim, taken-in-error, duplicate, closed, denied, etc.) Having seen a steady rise in the number of accidents reported for the past eight years, the initial sign is hopeful.

FY	No. of Reported Accidents
82	16,080
83	15,138
84	16,406
85	15,885
86	16,903
87	17,498
88	18,803
89	20,055
90	18,865

FISCAL YEAR FUN

The Accounting Department is once again in the middle of year-end procedures for Fiscal Year 1990 (FY 90). This is one of the favorite times of the year for the accounting staff. No stress. No last minute deadlines. Just a relaxing time of year.

Year-end activities are needed to close out the financial books for the State of Montana for a fiscal year (July 1 to June 30). It is important the year-end procedures are done correctly to insure the financial position of the State is properly recorded.

Activities for fiscal year-end start as early as May when the State Fund receives appropriation and revenue estimate documents from the Office of Budget and Program Planning and continues through October when the State Fund has to provide the Department of Administration's Accounting Bureau with the final actuarial liability determination for the Fund.

The first couple of weeks in July make up what is known as the year-end adjustment period. During this period, documents for the preceding fiscal year processed so the information can be reported in the fiscal year-end report. This is also the time for the Accounting Department to set up any new accounting entities, responsibility centers, reporting centers or any new activities which will be utilized during the new fiscal year. New fiscal year (FY 91) documents have started being processed toward the end of July.

REPORTED PLAN 3 ACCIDENTS